

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-20435A
Sonoita Valley Water Company
2102 N. Forbes, Ste. 107
Tucson, AZ 85745

RECEIVED

MAR 23 2010

ALBUQUERQUE CLIMATE
THERMAL DIVISION

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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4-5-10

COMPANY INFORMATION

Company Name (Business Name) <u>Sonoita Valley Water Company</u>		
Mailing Address <u>2102 N. Forbes, #107</u> (Street)		
<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85745</u> (Zip)
<u>520-623-5172</u> Telephone Number (Include Area Code)	<u>520-792-0377</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>Same as above</u> (Street)		
<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Local Office Telephone Number (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Southwestern Utility Management, Inc.</u>			
<u></u> (Name)		<u></u> (Title)	
<u>2102 N. Forbes, #107</u> (Street)	<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85745</u> (Zip)
<u>520-623-5172</u> Telephone Number (Include Area Code)	<u>520-792-0377</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Matthew England</u> (Name)			
<u>2102 N. Forbes, #107</u> (Street)	<u>Tucson</u> (City)	<u>AZ</u> (State)	<u>85745</u> (Zip)
<u>520-623-5172</u> Telephone Number (Include Area Code)	<u>520-792-0377</u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent Ezra H. Lewis			
(Name)			
2102 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-623-5172	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney:			
(Name)			
(Street) (City) (State) (Zip)			
Telephone Number (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)			

OWNERSHIP INFORMATION

Check the following box that applies to you company:

<input type="checkbox"/> Sole Proprietor (S)	<input type="checkbox"/> C Corporation (C) (Other than Association/Co-Op)
<input type="checkbox"/> Partnership (P)	<input checked="" type="checkbox"/> Subchapter S Corporation (Z)
<input type="checkbox"/> Bankruptcy (B)	<input type="checkbox"/> Association/Co-Op (A)
<input type="checkbox"/> Receivership (R)	<input type="checkbox"/> Limited Liability Company
<input type="checkbox"/> Other (Describe) _____	

COUNTIES SERVED

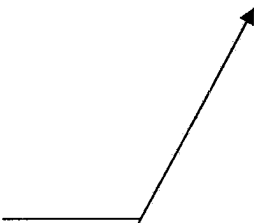
Check the box below for the county/ies in which you are certificated to provide service:

<input type="checkbox"/> APACHE	<input checked="" type="checkbox"/> COCHISE	<input type="checkbox"/> COCONINO
<input type="checkbox"/> GILA	<input type="checkbox"/> GRAHAM	<input type="checkbox"/> GREENLEE
<input type="checkbox"/> LA PAZ	<input type="checkbox"/> MARICOPA	<input type="checkbox"/> MOHAVE
<input type="checkbox"/> NAVAJO	<input type="checkbox"/> PIMA	<input type="checkbox"/> PINAL
<input type="checkbox"/> SANTA CRUZ	<input type="checkbox"/> YAVAPAI	<input type="checkbox"/> YUMA
<input type="checkbox"/> STATEWIDE		

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization	199	---	199
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	4296	674	3622
307	Wells and Springs	57374	14469	42905
311	Pumping Equipment	54687	11183	43504
320	Water Treatment Equipment	1955	191	1764
330	Distribution Reservoirs and Standpipes	5985	5844	141
331	Transmission and Distribution Mains	110560	79917	30643
333	Services	4606	3249	1357
334	Meters and Meter Installations	5190	1661	3529
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	244852	117188	127664

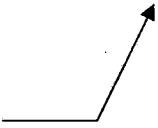
This amount goes on the Balance Sheet Acct. No. 108



See Accountants' Report.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)*
301	Organization	199	---	---
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	4296	5%	191
307	Wells and Springs	57374	5%	2258
311	Pumping Equipment	54687	5%	2290
320	Water Treatment Equipment	1955	5%	93
330	Distribution Reservoirs and Standpipes	5985	5%	7
331	Transmission and Distribution Mains	110560	5%	1613
333	Services	4606	5%	71
334	Meters and Meter Installations	5190	5%	186
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	244852		6709

This amount goes on Comparative statement of Income and Expense Acct. No. 403. 

Depreciation for 2009 is calculated on O.C.L.D.

See Accountants' Report.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1339	\$ 1004
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	1899	1936
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 3238	\$ 2940
	FIXED ASSETS		
101	Utility Plant in Service	\$ 241744	\$ 244852
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(110479)	(117188)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 131265	\$ 127664
	TOTAL ASSETS	\$ 134503	\$ 130604

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 6061	\$ 10659
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	132000	145499
235	Customer Deposits	2321	2319
236	Accrued Taxes	329	109
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 140711	\$ 158586
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	5200	5200
272	Less: Amortization of Contributions	(.3640)	(3900)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 1560	\$ 1300
	TOTAL LIABILITIES	\$ 142271	\$ 159886
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1000	\$ 1000
211	Paid in Capital in Excess of Par Value*	39900	39900
215	Retained Earnings	(48668)	(70182)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ (7768)	\$ (29282)
	TOTAL LIABILITIES AND CAPITAL	\$ 134503	\$ 130604

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 18368	\$ 24803
460	Unmetered Water Revenue		
474	Other Water Revenue	30	60
	TOTAL REVENUES	\$ 18398	\$ 24863
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	3141	3832
618	Chemicals	809	909
620	Repairs and Maintenance	4397	4010
621	Office Supplies and Expense	354	438
630	Outside Services	14162	18735
635	Water Testing	708	1358
641	Rents		
650	Transportation Expense	4462	7816
657	Insurance – General Liability	1541	1549
659	Insurance – Health and Life		
666	Regulatory Commission Expense – Rate Case		605
675	Miscellaneous Expense		
403	Depreciation Expense	6638	6449
408	Taxes Other Than Income		
408.11	Property Taxes	675	670
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 36887	\$ 46371
	OPERATING INCOME/(LOSS)	\$ (18489)	\$ (21508)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income	42	18
426	Miscellaneous Non-Utility Income		
427	Interest Expense	---	(24)
	TOTAL OTHER INCOME/(EXPENSE)	\$ 42	\$ (6)
	NET INCOME/(LOSS)	\$ (18447)	\$ (21514)

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principal	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$	1784
Meter Deposits Refunded During the Test Year	\$	52

COMPANY NAME Sonoita Valley Water Company

Name of System: Sonoita – Los Encinos

ADEQ Public Water System Number: 12-010

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-620789	5		500	6		

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Sonoita Valley Water

Name of System: Sonoita Valley

ADEQ Public Water System Number: 12-005

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-633050	2	10	202	4	5/8	N/A
55-528690	1	7	296	6	5/8	1990
55-214359	5	35	830	6	5/8	2007

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	2	3,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Sonoita Valley Water Company

Name of System: Sonoita Valley

ADEQ Public Water System Number: 12-005

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	300
3	PVC	5838
4	PVC	6570
5		
6		
8		
10		
12		
4	PVC	6781

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	39
3/4	
1	1
1 1/2	1
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

250' – 5' CHAIN LINK FENCE

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Sonoita Valley Water Company	
Name of System: Sonoita – Los Encinos	ADEQ Public Water System Number: 12-010

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	0	0

OTHER (description):

COMPANY NAME: Sonoita Valley Water Company .	
Name of System: Sonoita Valley	ADEQ Public Water System Number: 12-005

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS →	0	0	0

OTHER (description):

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2009 was \$670

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property tax paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

(COUNTY OF (COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Bonnie O'Connor	TITLE Manager
COMPANY NAME Sonoita Valley Water Company	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION
COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE
CURRENT AND PAID IN FULL.**

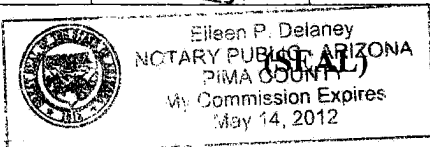
**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT
AND PAID IN FULL.**


SIGNATURE OF OWNER OR OFFICIAL

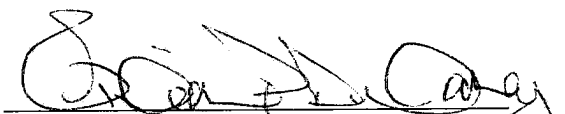
520-1023-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME Eileen P. Delaney
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS 30th DAY OF

COUNTY NAME	<u>PIMA</u>
MONTH	<u>MARCH</u> 20 <u>10</u>



MY COMMISSION EXPIRES May 14, 2012


SIGNATURE OF NOTARY PUBLIC

INCOME TAXES

For this reporting period, please provide the following:

Federal Taxable Income Reported S Corporation
Estimated or Actual Federal Tax Liability _____State Taxable Income Reported S Corporation
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances: _____

Amount of Contributions/Advances _____

Amount of Gross-Up Tax Collected _____

Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE3/29/10
DATEEzra H. Lewis
PRINTED NAMEPresident
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

**VERIFICATION
STATE OF**

Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	Bonnie O'Connor, Manager
COMPANY NAME	Sonoita Valley Water Company

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 26449.00

(THE AMOUNT IN THE BOX ABOVE
INCLUDES \$ 1,647.00
IN SALES TAXES BILLED, OR COLLECTED)

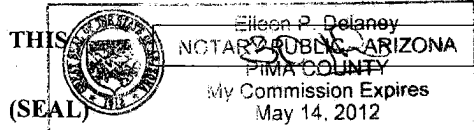
****REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL

520-623-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME EILEEN P. DELANEY

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF

COUNTY NAME	PIMA
MONTH	MARCH
YEAR	2010

MY COMMISSION EXPIRES

MAY 14, 2012

See Accountants' Report.


SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

(COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Bonnie O'Connor	TITLE Manager
COMPANY NAME Sonoita Valley Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01 ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 21,925.00

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 1,448.00

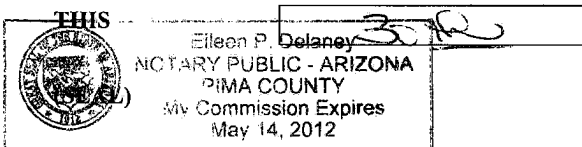
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

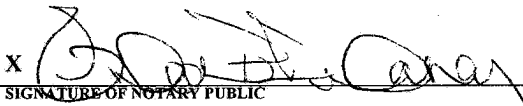
520-623-5172
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF**



DAY OF

NOTARY PUBLIC NAME EILEEN P. DELANEY	
COUNTY NAME PIMA	
MONTH MARCH	YEAR 2010

X 
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES MAY 14, 2012

See Accountants' Report

0042956
SITUS ADDRESS

LEGAL DESCRIPTION:

ACREAGE:

JURISDICTION

TOTAL TAX DUE

02000	SANTA CRUZ COUNTY	187.18	178.37
02001	STATE SCHOOL TAX EQU	0.00	20.36
05025	SONOITA SD #25	243.13	102.66
06102	PATAGONIA UHS	132.13	133.13
11204	SONOITA ELGIN FD	93.80	0.00
11900	FIRE DISTRICT ASSIST	6.21	0.18
15001	SANTA CRUZ COUNTY FC	37.43	0.00

This is the only notice you will receive.

Caesar Ramirez
Santa Cruz County Treasurer
PO Box 1150
Nogales, AZ 85628

THIS IS A
CALENDAR YEAR
TAX NOTICE

919-52-500 9

090916 12 R A0011 02304



SONOITA VALLEY WATER COMPANY
EZRA H LEWIS
2102 N. FORBES, SUITE 107
TUCSON, AZ 857450000

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS

PLEASE INCLUDE YOUR
PARCEL NUMBER
ON YOUR CHECK

TOTALS

699.88

640.70

PAYMENT INSTRUCTIONS

To pay the 1st half installment and full year tax notices of \$100 or less, send the 1st half coupon with your payment postmarked no later than Nov 2, 2009 To pay 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 3, 2010. To pay taxes for the full year if the entire amount billed exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec 31, 2009, and no interest will be charged for the current year.

Make your check payable to and mail to
Caesar Ramirez
Santa Cruz County Treasurer
PO.Box 1150
Nogales, AZ 85628

HOLM, HESTAND & VALENZUELA, CPAs, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
3131 NORTH COUNTRY CLUB ROAD, SUITE 109
TUCSON, ARIZONA 85716

DOUGLAS R. HOLM, CPA
EMMA K. HESTAND, CPA
JANETTE G. VALENZUELA, CPA

TELEPHONE: (520) 326-8483
FAX: (520) 795-5191
E-MAIL: HHVCPA@EARTHLINK.NET

We have compiled the balance sheets of Sonoita Valley Water Company as of December 31, 2009 and 2008, and the related comparative statements of income and expense for the years then ended, included in the accompanying prescribed form in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above, and accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Holm, Hestand, Valenzuela CPAs, P.C.

March 17, 2010

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-20435A
~~W-02017A~~
Southern Water Corporation
P.O. Box 85160
Tucson, AZ 85754

* belongs under Sonoita Valley Water.

ANNUAL REPORT
WATER

FOR YEAR ENDING

12	31	2009
----	----	------

FOR COMMISSION USE

ANN 04	09
--------	----

PROCESSED BY:

4-S-10

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Southern Water Corporation		
Mailing Address 2102 N. Forbes, #107		
(Street)		
Tucson	AZ	85745
(City)	(State)	(Zip)
520-623-5172	520-792-0377	
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		
Local Office Mailing Address Same as above		
(Street)		
(City)	(State)	(Zip)
Local Office Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address		

MANAGEMENT INFORMATION

Management Contact: Southwestern Utility Management, Inc.			
(Name)		(Title)	
2102 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-623-5172	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			
On Site Manager: Matthew England			
(Name)			
2102 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-623-5172	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address			

Statutory Agent Ezra H. Lewis			
(Name)			
2102 N. Forbes, #107	Tucson	AZ	85745
(Street)	(City)	(State)	(Zip)
520-623-5172	520-792-0377		
Telephone Number (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Attorney:			
(Name)			
(Street) (City) (State) (Zip)			
Telephone Number (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)			

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-Op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-Op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

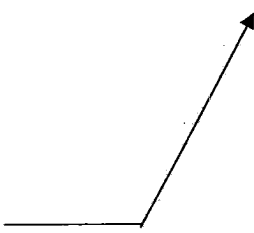
Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input checked="" type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

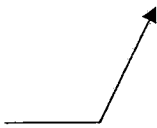
Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	1965	191	1774
307	Wells and Springs	650	147	503
311	Pumping Equipment	31367	4817	26550
320	Water Treatment Equipment	2866	279	2587
330	Distribution Reservoirs and Standpipes	22701	2482	20219
331	Transmission and Distribution Mains	33092	4418	28674
333	Services	---	---	---
334	Meters and Meter Installations	2843	307	2536
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	95484	12641	82843

This amount goes on the Balance Sheet Acct. No. 108



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)*
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	1965	5%	93
	Wells and Springs	650	5%	27
311	Pumping Equipment	31367	5%	1397
320	Water Treatment Equipment	2866	5%	136
330	Distribution Reservoirs and Standpipes	22701	5%	1064
331	Transmission and Distribution Mains	33092	5%	1509
333	Services			(139)
334	Meters and Meter Installations	2843	5%	133
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	95484		4220

This amount goes on Comparative statement of Income and Expense Acct. No. 403. 

Depreciation for 2009 is based on O.C.L.D.

See Accountants' Report.

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 3903	\$ 1004
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	5147	5449
146	Notes/Receivables from Associated Companies		2499
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 9050	\$ 8952
	FIXED ASSETS		
101	Utility Plant in Service	\$ 95621	\$ 95484
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(8421)	(12641)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 87200	\$ 82843
	TOTAL ASSETS	\$ 96250	\$ 91795

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ ---	\$ 9484
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	94300	94300
235	Customer Deposits	350	450
236	Accrued Taxes	169	231
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 94819	\$ 104465
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 94819	\$ 104465
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 25100	\$ 25100
211	Paid in Capital in Excess of Par Value*		
215	Retained Earnings	(23669)	(37770)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 1431	\$ (12670)
	TOTAL LIABILITIES AND CAPITAL	\$ 96250	91795

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 33885	\$ 39222
460	Unmetered Water Revenue		
474	Other Water Revenue	40	30
	TOTAL REVENUES	\$ 33925	\$ 39252
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	2984	3448
618	Chemicals	2045	909
620	Repairs and Maintenance	1019	1228
621	Office Supplies and Expense	366	639
630	Outside Services	20702	24416
635	Water Testing	2602	1974
641	Rents		
650	Transportation Expenses	5818	6510
657	Insurance – General Liability		
659	Insurance – Health and Life		
666	Regulatory Commission Expense – Rate Case		8873
675	Miscellaneous Expense		
403	Depreciation Expense	4589	4220
408	Taxes Other Than Income		
408.11	Property Taxes	1235	1196
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 41360	\$ 53413
	OPERATING INCOME/(LOSS)	\$ (7435)	\$ (14161)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income	36	60
426	Miscellaneous Non-Utility Income		
427	Interest Expense	(3)	---
	TOTAL OTHER INCOME/(EXPENSE)	\$ 33	\$ 60
	NET INCOME/(LOSS)	\$ (7402)	\$ (14101)

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principal	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ -0-

Meter Deposits Refunded During the Test Year \$ -0-

COMPANY NAME: Sonoita Valley Water

Name of System: Southern - Downtown

ADEQ Public Water System Number: 12-308

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-620783	7.5		450	8		

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
None		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
7.5	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
10,000	1	65 Gal. Bladder	4

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Sonoita Valley Water Company

Name of System: Southern - Downtown

ADEQ Public Water System Number: 12-308

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	10,560
3		
4		
5		
6		
8		
10		
12		
<u>2</u>		
3	PVC	1,320

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	18
3/4	
1	
1 1/2	
2	
Comp. 3	1
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

chain link fence at each well site

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

COMPANY NAME: Sonoita Valley Water Company

Name of System: Southern - Downtown

ADEQ Public Water System Number: 12-010

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	1320
3		
4		
5		
6		
8		
10		
12		
2		
3		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	36
3/4	
1	
1 1/2	1
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

See Accountant's Compilation Report

ADEO Public Water System Number: 12-308

ADEO Public Water System Number: 12-010

COMPANY NAME: Sonoita Valley Water Company

Name of System: Southern - Downtown

ADEQ Public Water System Number: 12-308

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	1	0	0
TOTALS →	0	0	0

OTHER (description):

See Accountant's Compilation Report

PROPERTY TAXES

Amount of actual property taxes paid during Calendar year 2009 was \$ 1196

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

F

If no property tax paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

(COUNTY OF (COUNTY NAME)) Pima	
NAME (OWNER OR OFFICIAL) Bonnie O'Connor	TITLE Manager
COMPANY NAME Southern Water Corporation	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION
COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

**I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE
CURRENT AND PAID IN FULL.**

**I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT
AND PAID IN FULL.**

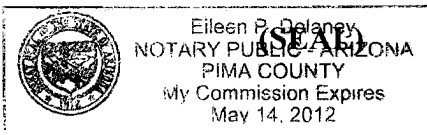

SIGNATURE OF OWNER OR OFFICIAL

520-623-0772
TELEPHONE NUMBER


**SUBSCRIBED AND SWORN TO BEFORE ME EILEEN P DELANEY
A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

THIS 30th **DAY OF**

COUNTY NAME	PIMA
MONTH	MARCH
	20 <u>10</u>



MY COMMISSION EXPIRES MAY 14, 2012


SIGNATURE OF NOTARY PUBLIC

INCOME TAXES


For this reporting period, please provide the following:

Federal Taxable Income Reported	<u>S Corporation</u>
Estimated or Actual Federal Tax Liability	<u></u>
State Taxable Income Reported	<u>S Corporation</u>
Estimated or Actual State Tax Liability	<u></u>
Amount of Grossed-Up Contributions/Advances:	
Amount of Contributions/Advances	<u></u>
Amount of Gross-Up Tax Collected	<u></u>
Total Grossed-Up Contributions/Advances	<u></u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

3/29/10

DATE

Bonnie O'Connor
PRINTED NAMEManager
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

**VERIFICATION
STATE OF**

Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	Bonnie O'Connor, Manager
COMPANY NAME	Southern Water Corporation

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona intrastate Gross Operating Revenues Only (\$)
\$ 41856.00

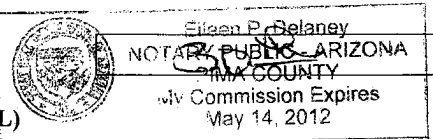
(THE AMOUNT IN THE BOX ABOVE
INCLUDES \$ 2604.00
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


 SIGNATURE OF OWNER OR OFFICIAL
520-623-5172
 TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME EILEEN P. DELANEY

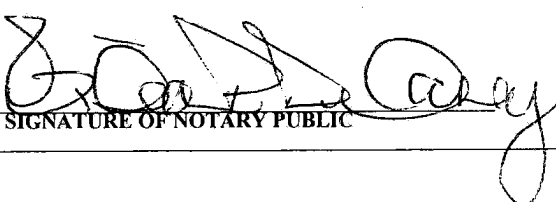
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS  DAY OF

MY COMMISSION EXPIRES

MAY 14, 2012

COUNTY NAME	PIMA
MONTH	MARCH 2010


 SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION
COMMISSION**

FOR THE YEAR ENDING

COUNTY OF (COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Bonnie O'Connor	TITLE Manager
COMPANY NAME Southern Water Corporation	

MONTH 12	DAY 31	YEAR 2009
-------------	-----------	--------------

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS. PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01 ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ 34673.00
--

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2291.00
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

520-623-5722
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY
OF
THIS DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME	
MONTH	20

(SEAL)

MY COMMISSION EXPIRES

X

SIGNATURE OF NOTARY PUBLIC

SOUTHERN WATER CO.PO Box 85160
TUCSON, AZ 85754
(520) 623-5172WELLS FARGO BANK, N.A.
WWW.WELLSFARGO.COM
91-527/1221

110

PAY TO THE
ORDER OF Caesar Ramirez - Santa Cruz Co. Treasurer

1/30/2009

\$ **635.08

Six Hundred Thirty-Five and 08/100*****

DOLLAR:

Caesar Ramirez
Santa Cruz County Treasurer
2150 N. Congress Dr.
Nogales, AZ 85621-1091

MEMO:

⑈001102⑈ ⑆122105278⑆5306074500⑈

SOUTHERN WATER CO.

Caesar Ramirez - Santa Cruz Co. Treasurer

Date	Type	Reference
1/27/2009	Bill	937-12-500

Original Amt.
635.08

1/30/2009
Balance Due
635.08
Check Amount

1102
Payment
635.08
635.08

Wells Fargo Bank

SOUTHERN WATER CO.

635.08

2008 SECOND HALF PAYMENT COUPON

DETACH AND RETURN WITH PAYMENT

Make check payable to:
Caesar Ramirez
Santa Cruz County Treasurer
2150 N Congress Dr
Nogales AZ 85621-1091

Payment in U.S. FUNDS ONLY

1102

Due March 1, 2009
SOUTHERN WATER CORPORATION
Parcel Number: 937-12-500 5 Roll Number: 0000006**TO PAY 2ND HALF**

635.08

Delinquency Date Second Half Payment
Penalty for late payment is 16% per year
assessed monthly as of the 1st day of the
month for payments postmarked after 5:00
P.M. May 1, 2009 (ARS 42-18052 and ARS
42-18053).If your mortgage company makes your property
tax payments consider this notice as a courtesy
copy for your records only.

129371250000500000063508

Caesar Ramirez
Santa Cruz County Treasurer
2150 N Congress Dr
Nogales AZ 85621-1091

2008 9371250005 2 00000012701600000063508

0042960

SITUS ADDRESS:

LEGAL DESCRIPTION:

ACREAGE:

EXEMPTION:

2008
TAXES2009
TAXES

EXEMPTION	2008 TAXES	2009 TAXES
02000 SANTA CRUZ COUNTY	339.69	312.16
02001 STATE SCHOOL TAX EQU	0.00	35.64
05025 SONOITA SD #25	441.24	529.69
06102 PATAGONIA UHS	239.75	232.99
11204 SONOITA ELGIN FD	170.23	0.00
11900 FIRE DISTRICT ASSIST	11.27	10.78
15001 SANTA CRUZ COUNTY FC	67.94	0.00

This is the only notice you will receive.

Caesar Ramirez
Santa Cruz County Treasurer
PO Box 1150
Nogales, AZ 85628

THIS IS A
CALENDAR YEAR
TAX NOTICE

TOTALS

1,270.16

1,121.24

PAYMENT INSTRUCTIONS

To pay the 1st half installment and full year tax notices of \$100 or less, send the 1st half coupon with your payment postmarked no later than Nov 2, 2009. To pay 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 3, 2010. To pay taxes for the full year if the entire amount billed exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec 31, 2009, and no interest will be charged for the current year.

937-12-500 5

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SOUTHERN WATER CORPORATION
EZRA H LEWIS
2102 N FORBES, #107
TUCSON, AZ 857450000

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK
AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS

PLEASE INCLUDE YOUR
PARCEL NUMBER
ON YOUR CHECK

Make your check payable to and mail to
Caesar Ramirez
Santa Cruz County Treasurer
PO Box 1150
Nogales, AZ 85628

HOLM, HESTAND & VALENZUELA, CPAS, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
3131 NORTH COUNTRY CLUB ROAD, SUITE 109
TUCSON, ARIZONA 85716

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E-MAIL: HHVCPA@EARTHLINK.NET

We have compiled the balance sheets of Southern Water Corporation as of December 31, 2009 and 2008, and the related statements of income and expense for the years then ended, included in the accompanying prescribed form in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission--Utilities Division information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above, and accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of the Arizona Corporation Commission--Utilities Division, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Holm, Hestand & Valenzuela CPAs P.C.

March 17, 2010